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# PAPERS Relating to a Bank of Credit UPON LAND SECURITY Proposed to the Parliament of Scotland.

By Dr. HUGH CHAMBERLEN.

*Published by Order of the Committee, to which the Consideration of the Proposal is Referred.*

## ADVERTISEMENT.

The following *Proposal*, with the *Objections*, *Answers*, and other *Papers* relating thereunto, having been Considered by the Committee of *Parliament*, were ordered to be Printed: To the end, that all Persons, who have any other Objections to make, might give in the same to the Clerk of the Committee, against their next Meeting: Which is to be upon the 18 day of this instant July 1693.

To his Grace *William Duke of Hamilton*, their Majesties High Commissioner, and the Honourable Estates of PARLIAMENT.

*The following Considerations and Proposals are humbly Presented by Dr. Hugh Chamberlen.*

**1<sup>st</sup>. Consideration.** **W**Hereas it is most evident, That a Wise and Large Establishment, and a continued course of Considerable Trade, is a sure way whereby any Nation, capable of it, may attain to Honour, Wealth, and Power: because that thereby will arise: *First*, A great Increase of Money, which answereth all things: *Secondly*, An Increase of People, which is the strength of any Kingdom or State, and who do always gather to those places where Money is in abundance. And *Thirdly*, An Increase of Shipping which is the strongest Rampart of an Island; And by which Merchandize is conveyed to the most profitable Market. It is therefore the undoubted Interest of the People of Scotland, especially those who have the greatest Estates, whether of Land or Money, to employ themselves to the Improvement of Trade, as universally as is possible. And it is humbly conceived, that this proposition needs no other proof or illustration, than what plainly arises from the Observation of those many and great Advantages derived from Trade, to the Kingdom of England, the States of the United Provinces, and all other Kingdoms and States, that have applied themselves to Commerce.

**2<sup>d</sup>. Consideration.** The Kingdom of Scotland is as Capable of making Advantages by Trade, as any other Kingdom or State, being surrounded with good Sea Ports upon all its Coasts, and having a very great and profitable Subject of Trade, proper to it: The Land affording Grain, Cattel, Wool, Flax, Coal, salt, Copper, Iron, Lead, and other Native Products; besides the Fishing of the Rivers, Loghs, and Seas. This Kingdom hath likewise great numbers of People, either not employed, or not so fully and profitably as might be; And hath also such a Provision of Shipping as may serve to begin a Trade, and may soon be increased, if a greater Trade be set up. The truth of this Consideration will appear, by Comparing the Particulars therein contained, to those of the United Provinces, where the proper Subject of Trade, comes very far short of that of this Kingdom: Which Provinces from very small beginnings, and under the discouragement of a War with Spain, at that time the most potent King of Europe, have yet raised themselves within a short period of Years, to that immense Wealth, Grandeur, and Power, that now they possess: and have acquired it chiefly by their Trafficking in those Subjects of Trade, which properly belong to this and other Nations.

**3<sup>d</sup>. Consideration.** The People of this Kingdom who have had liberal Education, are generally in all Countries allowed to be of great Ingenuity and Diligence, and so well inclined to Vertue and Frugality; and so averse from Luxury, that where they are employed abroad, they are outdone by none; and the Commons being docile and Tractable, and likewise Robust and Vigorous of Body, and sufficiently inclined to bestow their Labour, where there is prospect of moderate Gain: And being hitherto accustomed to small Wages; It may justly be concluded, that no People in the World are naturally more fitted or better qualified for setting up, managing, and prosecuting a great and considerable Trade.

**4<sup>th</sup>. Consideration.** It is most certainly true in Fact, nor can it be unknown to the Intelligent in this Nation, that the greatest Tradings in the World are carried on, not so much by the Species of Money, which is in Stock and Cash, as by a great Credit attained to by means, partly of their visible Subject of Trade, partly of their pains in, and application to Traffick, but most of all upon account of the reputation and Opinion of the great Profits made in the course of a prosperous Trade, even where the Native and Proper Subject of Trade keeps no proportion with the Trade carried on: as it is in the United Provinces; where Credit is the chief Instrument of their Commerce, and that Credit raised upon a Fund more of Opinion or Reputation than Real. If therefore in this Kingdom, the want of a sufficient Stock of Money, for the Carrying on a great Trade, can be made up by a Credit grounded upon a more Real and Substantial Fund, than the Credit of any other Nation, either at present is, or probably can be founded upon, then certainly it may most reasonably follow, that this Kingdom is rather more capable of carrying on great and National Trades than most other Kingdoms or States in Europe.

**5<sup>th</sup>. Consideration.** The Titles and Tenures of Estates, especially Land Estates in this Kingdom, being more known sure and stated, and with greater ease and certainty examinable, by reason of the Records here in use, than in any other Country; and an evident clear and firm Security upon Land, being the best and most substantial Fund of Credit: This Kingdom is capable in this respect, to raise a Credit sufficient for improving to the uttermost the great subject of Trade, that now it

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it unprofitably possesses; and this Credit as far to exceed that of other Nations, as a real solid and permanent Fund exceeds those of Opinion and Reputation, for such all those of other Nations will be found to be when duly weighed, with that hereby proposed for this Kingdom.

Upon these Considerations, which may so justly be presumed to induce the Right Honourable Estates of Parliament, to receive and Examine a Proposal, that Tender to this Kingdom the certain and Effectual Means of so great Wealth and Honour.

*The said Doctor Hugh Chamberlen, Humbly offers to the Wisdom of this August Assembly the following Proposal.*

### THE PROPOSAL.

THAT a Statute or Law of this Kingdom may be Enacted, for Nominating certain Trustees or Commissioners to be appointed now, and from time to time, by Parliament, and accountable thereunto: which Trustees are to have Power to receive and examine the Titles and Estates of all such as are willing to engage their Lands for the forming such a secure current Credit. Upon finding any such Estate clear in Title, the said Trustees to take a Conveyance thereof for 150 Years, upon Condition to be void when 100 Years payment shall have been made to them of the Rent agreed; and such Rent to be paid, not in Money or Gold, but only in the Bills of Credit issued to the Granter by the said Trustees; and the Heretor or granter to enjoy the free and undisturbed Possession of such Estate for the whole Term, he duly paying such Annual rent. Upon the making over any such Estate, the Trustees thereupon direct their Warrant to the Master of a proper Office, therefore to be erected, to issue 100 years value of such Estate in Bills of Credit of several values, the better to accommodate the uses of Trade: Which Bills of Credit are to be thus divided, viz. 40 Years Value to the Proprietor; 30 years Value for his use, but to be employed in such publick Trade or Trades, as the several Proprietors shall in a Body agree upon: 10 years Purchase to the Government in case of the People in point of Taxes, and may be appropriated to such uses where the honour of the Crown, and Interest of the Nation may equally meet: And the residue to the use of the said Doctor Chamberlen, as Master of such Office; who, and his Heirs to be perpetually so, in reward of this Service done the Nation. And the Master of the Office is out of such his part, to pay all the Charge of the Office, which will be very great; and to answer all Contingencies of it; and also generous and becoming Appointments to those Honourable Gentlemen to be made Trustees by the Parliament, to see Justice done to the People, and the Honour and Security of the Bank preserved inviolable. The Heretors, or Proprietors that raise this Fund, are to be a Corporation, with perpetual Succession, and all necessary Powers, for managing and carrying on such National Trade or Trades as they shall agree upon. From 120 to 150 Pounds Sterling per annum, is to be made over for the payment of every 100 Pound Per annum, to be engaged for this Fund, and so in proportion; and this to the end that all Credit thus to be issued, may be supported by a greater Value than it self.

That these Bills be made current in all Payments: and as they are payed yearly for Rent to the Trustees, they are by them to be destroyed: so that at the end of 100 years they will be all recalled. Bills of Credit thus founded upon Land, and Strengthened by the Sanction of Law, and made in a form incapable of Forgery, will be found an excellent Instrument or Medium of Trade, equal

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equal in all respects to Gold and Silver Money, and Superior to them in diverse regards. They are more sure than any Bills, Bonds or Mortgages, or any manner of Credit now known in the World. They have a real solid extrinick and permanent Value inseparably adhering to them by Law: Nor can their value be impaired or their Use taken away, by any future Parliaments, or by any Revolution of State, where all mens properties will not also be swallowed up. By this means a Considerable part of the Rents of the Nation may be applied to Trade, which otherwise could not be done. Thus may all the Poor be profitably employed: All due improvements made in Husbandry, and all needful Arts and Manufactures. The Shipping and strength of the Nation will be encreased by Sea and Land. Publick Taxes will become easie to the Subjects, and all who Contribute to this Fund will be made richer by it, at the very entry into it: Besides what their Share in the future Trade will produce.

No person is forced to be concerned in it, yet all are permitted that shall desire it; which renders it truly a free and Common-Good. Altho' at the end of 100 years, all this Credit will be called in, yet the Course of Trade managed with it, cannot in the mean time but produce Gold, Silver, and other Valuable Commodities, and that to a far greater Value than the Bills themselves; And the Trade founded by them, will be perpetual. These Bills not paying out of the Kingdom, are an Advantage: For all wise Laws restrain Money from going out: and forraign Trade ought not to be managed with Money, but with the Native Product and Manufactures of the Kingdom. The Banks of Holland and Venice are pregnant Instances of the power of Credit, under wise Regulation. And yet the Credit of both those Banks, are far inferior to the Credit hereby proposed. They take the ready Money, and employ for the Government, and give their Bills to Negotiate, in payment. So that in any exigence of state, if all their Creditors should at once call for their several Debts, it may reasonably be doubted if either of these Banks should be able to answer their Credit: So that Opinion or Reputation, is their great Support. But the Bank hereby proposed, touches no mans ready Money; makes all men concerned in it presently much Richer than before; lays sure Foundation of lasting National Trades: and becomes every year a stronger Security than before: For as the Term of years to lens, the security becomes more strong. Upon the whole, it is humbly conceived to have all the Force of Demonstration, that this Kingdom receiving and Enacting this proposal, cannot fail of a Success superior to either of those Powerful and Opulent States; because of the Advantages before enumerated, that this Kingdom possesses over them.

*It is therefore humbly Prayed, by Oliver Salusbury, and Peter Chamberlen, Gentlemen, Agents on this behalf, of the said Doctor Chamberlen, That his Grace the Lord High Commissioner, and the Right Honourable the Estates of Parliament, may please to commit the Consideration of this Proposal to be examined, and Report being made, to determine therein as in their great Wisdom they shall see Cause.*

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**Their Majesties high Commissioner and the Estates of Parliament, having considered the above written Proposal ; They remit it to the Earls of Linlithgow and Lothian, the Viscount of Stair, and Lord Polwarth, Sir John Lockhart of Castle-hill, Sir John Maxwell of Pollock, John Swinton of that ilk, and Duncan Forbes of Collogden, Sir John Hall, Sir Archibald Muir, Sir William Hamilton, and Master James Smollet, together with the Officers of State, or the Major part of them, being a Quorum, as a select Committee to consider of the said Proposal, and to prepare a Report thereon, to the next Session of this, or any other ensuing Parliament, and to meet at Edinburgh the 20. day of June instant for the first time, and to adjourn theire meetings thereafter, to such times and places as they shall think convenient.**

Edinburgh June  
14. 1693.

TWEEDDALE Cancel.  
I. P. D. Parl.

*Arguments to Accept Dr. Chamberlains Proposal.*

**T**He Proposal offers 70 years purchase (that is 40 down, and 30 in a joint Stock of Trade) for 100 years Annualrent: And this Bargain is to be had in possession before any Rent paid. In the same specie, that is paid for the Purchase, in the very same, and in no other, the Annualrent is to be paid; so that here is nothing given, but what will be received back. And if any man is compelled by Law, to receive a debt or Payment in this specie, another is by the same Law, bound to receive it from him again: and so from hand to hand, till it ends at last in the Annualrent which the Land is obliged to pay; and there it cealeth. Would it do Scotland a service to bring some Millions of Gold and Silver into it? this is Equivalent. For since Credit, upon a less secure Fund, performs in other Countries, all the uses and Offices of Gold and Silver; what should hinder the same Effects here, upon a better Fund? But however, if an Act of Parliament pass *de bene esse*: the Nation runs no Risque, if it do not take: If it does take there is a Mine of Treasure opened to them, *gratis*. The passing the Act, compells no man to come in, and engage his Land. The Proposer, if desired, will be obliged to cause bring in 100000 *lib.* sterling or more, and purchase Lands in Scotland, and give 30 years Purchase for them, the Act being Passed; and then engage the Lands so purchased, in the Design. The Proposal is not so very obscure, or Mysterious, to such as will take the pains to read it two or three times over deliberately and attentively, and will then hearken to what Answers can be given to any seeming Difficulty. The manner of putting it into practice, and actual administration of it, will indeed require an uncommon Skill and Understanding: and this part, Dr. Chamberlen, whose invention and contrivance this design is, and who has been thirty years maturing it, can best discharge, so as to reduce all to such an exact method, as shall make the whole clear and facile, and prevent all confusion and disorder: which should they happen, might disgrace and ruine the underta-

king: but to settle this point, and concert the matter of Trade, for the greatest benefit of this Kingdom; the Dr. in case the Act pass, will come to Scotland.

**A Comparison of the Circulation of Gold, and of Credit.**

**A.** Settles his Land for a hundred years, to pay a hundred *lib.* of Annualrent, in Bills of Credit to the Office; he receiving in the same Credit, a Sum or Consideration for the Purchase of it.  
**B.** Makes a like Settlement of Lands to C. to pay a hundred *lib.* in Gold, for the same term of years; having received his Purchase Money in Gold.

**A.** Pays a Debt of a hundred *lib.* in this Credit, to his Coach-maker; the Coach-maker pays it to the Currier for Leather; the Currier pays the same to the Tanner for Hides: the Tanner pays the same to the Butcher for Skins and raw Hides: the Butcher pays it to a Grafter for Cattle: the Grafter to a Farmer for Corn and Grass: the Farmer pays it to A. his Land-lord: and A. pays it to the Office for his Annualrent. Now here is all their occasions answered: and none the worse, or the poorer by it; but the contrary: the Office receiving back what it delivered out.

Now take the Payments as running in Gold.

**B.** pays a Debt in Gold of a hundred pound, to his Coach-maker: the Coach-maker pays the same to a Currier for Leather: the Currier pays it to a Tanner for Hides: the Tanner to a Butcher for skins and raw Hides: the Butcher to a Grafter for Cattle: the Grafter pays it to a Farmer for Corn and Grass: the Farmer pays it to B. his Landlord for Rent: and the Landlord pays the same Gold to C. for his Annualrent. Now by this Comparison it is plain, that in the Circulation and course of Dealing, from the Office to the Landlord, and back to the Office again, the turn is as well served as in the instance of Gold. And the Office is no poorer in receiving back the Credit: Nor C. no richer in receiving back his Gold; than both were, at the issuing of their several Sums in Credit and Gold.

**Three OBJECTIONS against the Proposal, given in to the Committee, the 30 of June, 1693.**

**OBJECTION I.**

**I**T appears by Doctor Chamberlen's Proposal, that every one who shall settle one hundred Pound *per annum* for a Bank of Trade, shall upon the Settlement made, receive payment from the said Bank of the Sum of four thousand Pound in Tallies, current in all Payments, by vertue of an Act of Parliament: and shall have other three thousand pound of Tallies, employed in Trade and Commerce to his use and behoof.

Suppose the Person Receiver of the four thousand Pound being in Debt, shall pay his Debt with the said four thousand Pound, or a great part of it: so that his Creditor shall be forced to receive his Sum in his said Tallies.

It is questioned, What use the said Creditor who lived upon the Interest of his Money, can make of his Stock; seeing in all probability there would be no Borrowers upon Annualrent: For it is to

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be supposed, that many landed Men will not need to Borrow, but be in a condition to pay the Debt they owe.

There will be such a considerable Stock made up of the several three Thousand Pounds employed in Trade, that such Creditors not being able, as it seems, to be of the Corporation proposed, with the Landed-Men; cannot propose to themselves to employ their Stock in Trading with any reasonable Prospect of Advantage.

## OBJECTION II.

Suppose, That all the Natural and Artificial Product of *Scotland*, yearly at present, is worth a Million *Sterling*, and that there are two Millions of Tallies Coined, and Secured on a real Fund, as is proposed.

Then, one Million being bestowed upon the years Product, what shall the Havers of the other Million do with their Tallies? For on the Supposition, there is neither Natural nor Artificial Product, but what's already bought by the other Million, the Tallies are only passable Money in *Scotland*; and therefore the other Million must lye idle, and the Person who received them from his Debtor must let them lye Idle and Starve.

If you will say, that Trade is infinite, and the Subject of Trade is inexhaustible, which is not true: yet as to any Nation, and particularly as to *Scotland*, the Subject is certainly within the value of one Million: And no other Nation will give Goods for our Tallies: so that of necessity, all that is Coined above the yearly product of Natural and Artificial Goods, must be useless until the Product increases.

## OBJECTION III.

It appears by this Proposal of Doctor *Chamberlens*, that as much Money will be raised as may pay all the Debt of the Nation, and so there will be no use nor place for Money upon Annual-rent. In which Case, *Queritur*, what shall become of the Widows and Orphans, and other Persons in the Kingdom, who are not capable of Trade? Seeing there is neither access to buy Land, nor lend out the Money upon Interest.

## ABSTRACT of, and ANSWER to, the first and third OBJECTIONS.

For these two differ not in substance. The scope of them is, That all the Debts upon Land being paid by this Proposal; and all the Subject of Trade wholly taken up by it: What shall become of those who subsist only upon the Interest of their Money? For there will be no Land to purchase, at least for some years; nor none to borrow at Interest: And Trade, either is not understood by such Persons; or there is not room to receive them.

Would this Objection be raised, if these Debts were paid, and such a Trade Driven by Money of Gold and Silver? If it were then raised, it must needs be thought groundless: unless it be a Crime to pay Debts; and drive a National Trade, without the exclusion of any private Person. If it would then be thought groundless; there is equal reason it should be thought so in this case. For this Credit is equal in all respects, and Superior in many, to coyned Gold and Silver, which is after made appear.

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2. If this Proposal be a publick and National Good, the private interest of some few particular Persons, ought to give way to it: which has ever been the Rule of all wise Governments.

3. The payment of all Debts upon Land will be greatly to the honour and advantage of the Nation: and will preserve the Estates & Honours of the ancient Nobility & Gentry and will also of natural Consequence drive into Trade, which is the Nations Strength and Riches, the greater part of that Money that now preys upon the vitals and noblest parts of the Kingdom by devouring Usury, which is the known destruction of untrading Persons.

4. It is denied, that the whole Subject of Trade in this Kingdom, can be exhausted by the intended Stock, so as that any can want Employment for their Money: For no Nation ever was known to be too Rich: And the Uses and Occasions of Money do always naturally multiply faster than Money it self. *Scotland* has many profitable and improveable Subjects of Trade: and had she Money to give Life to Ingenuity and Industry, the Productions of Nature, and improvement of Art, might in few years be many hundred times improved.

The Sea alone is an inexhaustible Treasure, and can employ many Millions. *Holland*, who has no Subject of Trade; nor can have any; yet by vast Wealth in Coin and Credit, Drives the greatest Trade of the World, and grows Rich by the product of other Countries; And by making her self the general Store-house of *Europe*, and almost of the World; and the Carrier also of the Goods of all Nations to and fro, wherever she is permitted.

In what place soever there is great plenty of a Common Measure or Medium of Trade, which we usually terme Money, it is impossible in should lye Dead, Useless, or Inaguate: For like streams of Water, where ever they break out, they will by natural and political Reason force their own way into the wide Sea of Trade.

5. But to descend nearer to the Moneyed Men, Women, or Children. There will always more or less, be Money taken up at Interest. The difference this Proposal will make, will be thus, That now Money is for the most part let to Interest, to the ruine of those that pay it; being a dead weight upon their Estates. But in our Case, the industrious Merchant only will take up Money at Use; who will at the same time enrich himself, and serve the Creditor; by which also the Nation it self is improved.

6. But further, two thirds of each Landed-Mans Stock in Trade may be made alienable at pleasure; In order to the taking in of Moneyed-men, and thereby diffusing the Benefits of this Proposal to the greater number of Persons, to the end it may become the more National.

7. Also, it may be enacted, that every Creditor upon Land, shall have Right to the value of half his Debt upon the Land it self, as if he were Proprietor for so much; but the other half he to accept in Credit; with which he may also purchase Shares in the Trade of such as are desirous to sell. And thus may such persons be profitably concerned in Trade, tho unskilled therein; and without any just fear, as I have shewed before, of want of Room to receive them.

8. But if there should be any found so idle or unhappy, after the Springs of Trade thus strongly fixed, as to know no better way to employ their Money, thus taken in Credit, than at Interest; Let them put it into the Bank upon these Terms, *viz.* To have 4 per cent Interest: And if they call out their Money, which not to be till after two years certain, and then giving six Months Notice; they shall accept it in this Credit: But if the Bank put it upon them, then to be paid in Gold and Silver; and the Bank to give also six Months notice to the Creditors.

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## Abstract of, and Answer, to the second Objection.

**T**He Objection supposes that all the Natural and Artificial Product of *Scotland*, exceeds not yearly one Million. And therefore, if two Millions be Coined; one must be idle and the Possessor of it must Starve. For the Money is only passable in *Scotland*: and all Goods there, are bought up with the first Million. And since no other Nation will give Goods for the Tallies, there will be no use for them.

*Answer.* Granting that all the present product of *Scotland*, Natural and Artificial does not exceed a Million; yet I deny the Inference, that if one other Million, or ten other Millions be coined, they must be idle, and the possessor starve. Let *Scotland* be deprived of all her present Money, and her present product will instantly abate; and in few years come to nothing. Increase her Money and her product will be accordingly. Who knows how far the Natural Product of this Kingdom may extend when there is Money, that *causa sine qua non*, to improve things to their highest Perfection. Many Grounds now waste for want of Stock to employ them: And the Nerves of Industry are every where slackned, by the scarcity of this precious Material, that gives Life and Motion to every political Body. Money, or what answers it, is the Nourishment of Kingdoms and States: Withdraw that Food, and they instantly languish: Supply it plentifully, and they become full of Health and Vigour. Lands and Hands are the Material and efficient Causes of Wealth: *Scotland* has enough of both to raise her to a flourishing condition, if Money were added to enable her hands, and cultivate her Lands. Add to this the Improvement of so many Arts and Manufactories, as never fail to offer themselves where there is plenty of Money; And these in Conjunction with your Natural product, must be perpetual Springs of Wealth. What does *Holland* perform, without any Natural product, only by her Manufactories and Artificial Products. Gold and Silver can only come to *Scotland*, by means of an enlarged and extended Trade: Trade can be only enlarged and extended by a mighty increase and Perfection of Natural and Artificial product: And those products, as in all other places, so here also, can only be obtained by great plenty of Money: Which plenty this *Proposal* undeniably offers. Your Product in great plenty, in great Perfection, and at moderate Price will command a Trade: And all those Advantages are the necessary Effects of a vast Treasure of Money, which will naturally make its own way to Trade. That Money, because of its plenty, can lie idle, and its Possessors starve, is a Position till now unheard of. All Experience is against it: For I deny that any one instance can be given, where part of a Nation starved, because the whole was rich. It has as little Foundation in Reason as in Experience. For what Cause can be assigned, why Plenty should occasion Poverty? Misuse of Plenty may do it: But then the misapplication, not the Plenty is in fault. But those Misapplications are only personal Follies; they are not chargeable upon Nations with regard to Trade.

That our proposed Credit, or Land-money, is only passable in *Scotland*, is an Excellency it possesses superior to Money of Gold and Silver. The Laws made by all Nations to restrain the Export of Money, are a plain Demonstration that it ought to be kept at Home. And this Benefit is Essential to this Credit, it is in its own Nature Local, and needs not the restraint of Laws.

That any can want Employment for this Money, or starve in the Possession of it, I think I have sufficiently evinced to be impossible. Which yet may further appear by Paragraph the fourth of the Answer to the first and third Objections.

## Eight other Objections to Doctor Chamberlens Proposal, given in to the Committee, on Tuesday the 4 of July 1693

**T**He great Medium of Trade and Commerce, supposed meant by the Proposal, being to be a kind of Coin, which is to derive its value from an Act of Parliament, and of which the Pieces being to pass for so great a value (as some of them for 100, some for 50, and the least for 5 *lib.* Sterling) may be a great temptation for ill Men to bend their wits, and hazard their Lives, to counterfeit the same. *Quæritur*, How the Nation shall be secured against an Evil of so dangerous a consequence?

### I I.

The Proposal designing several Millions Sterling, which this Coin is to pass for, and which cannot be useful to the Nation, and owners thereof, unless thereby an universal Trade through all the World be carried on by them; which cannot be without an additional Stock in real Species of Gold and Silver, to serve in Exchange for the Minute uses of the Nation, whilst this Coin is to have course: And also requires Trafficking Merchants, who are acquainted and experienced in a Trade of so vast an extent, for carrying it on. *Quæritur*, How the Nation shall be secured of this additional Stock, (of an hundred thousand Pounds Sterling, or more) which the maker of the Proposal offers; and that such Merchants shall take up their Residence here, and carry on the Trade proposed, and instruct those of this Nation in it.

### I I I.

There being little or no use of Annualrent, if the Proposal take effect, those who have Money, and are not acquainted with Trade, will be obliged to carry their Money out of the Kingdom, that they may have Annualrent for it else where. *Quæritur*, How the Nation shall be secured against the draining, this way, of the Gold and Silver that shall be in the Kingdom, out of it, and nothing left but this Statutory Coin?

### I V.

The Debts of all the Landed men will be paid, by the fourty years Purchase, given for their Lands. And if the Act of Parliament, proposed to be made, should happen to be thereafter Reversed; the Creditors (who should have nothing but this Statutory Coin at that time in their hands) should come to be ruined.

### V I.

The Proposal being designed for the good of the Nation; and carrying a manifest and extraordinary advantage to the Landed men (above what they could have projected, or reasonably desired) but seeming rather prejudicial then profitable to the Merchants and Moneyed men; both in respect that the Trade of the Nation, which is now only lodged in their hands, comes to be lodged in the hands of the Landed men; and that the Merchants and Moneyed men are to be deprived of the security, which they formerly had, for their Money, upon the Estates of their Debtors; and of the Annualrents, whereby many of them lived very plentifully. *Quæritur*, What method is proper to bring the loss and gain of the Landed & Moneyed men

to a more equal Balance? And how the Moneyed Men shall be secured in the payment of their Annualrents, at six per cent, for five or six years, untill they be taught the way of Trading with their Money?

V I.

The Proposal being made to the *English* Parliament, the Members whereof are understood to be a Wise and Trading People, and the same (as it's reported,) Rejected by them, though Calculat, (as it would seem) rather for the great Wealth and Substance of *England*, than for the present Condition of this Nation. *Queritur*, How can it be made appear, that it is reasonable for this Nation, to imbrace a Proposal rejected by that Wise People? As also, it would be cleared, how a proposal commensured for them, can be agreeable to us.

V II.

If Money shall be multiplied at the rate of the Proposal, all Commodities will rise in their prices, and Workmen will exact greater Wages, And it is not to be supposed, that people getting their payment in Statutory Coin, will take the same price as if they were getting payment in Gold or Silver. And the Advantage that the Masters of Manufactories have, in this Nation, above those in *England* is, that the Wages of the Workmen of *Scotland* is much less than of those in *England*. *Queritur*, How this prejudice can be prevented, and the Nation secured against the same?

V III.

The Coin to be made use of, conform to this proposal, being to be definit in the Quantity: How shall the Nation be made secure, that no more be Coined, or made use of in the Kingdom than that precise quantity agreed upon?

*A Comparison of Money and Credit, given in to the Committee, on Tuesday July 4th 1693. and relating to the Objections and Answers then given in.*

**M**oney is a Common and Secure Pledge, instituted to supply the Defects of Barter: and to be the Measure, Medium, and Account of Trade.

What ever can answer those ends, is duely Qualified to be made Money, by the Laws of any Nation.

Money must have these Essential Qualities, viz.

1. Value: to make it a Security in Exchange for all sorts of Goods.
2. Different Values, for convenience of smaller and greater Payments.
3. Stamp of the Government: not to give, but to attest its Value, and to Authorize the Currency of it.

( 6 )

4. Durability: to prevent loss by wearing out, or easily perishing.

5. Portability: for ease of Carriage.

The Tallies, Bills of Credit, or Land-money, proposed by Dr. *Chamberlen*, will have all these qualities of Money, equally with Money of Gold and Silver in all respects, and superior in some.

1. As to Value: Money of Gold and Silver, exceeds not its Value by Weight, at the most: and is very often short of it; either by too great Allay in Coynage; or by Washing, Filing, or Clipping. Whereas every Bill of this Credit will be secured by Land of greater worth than it is Coyned for: and is not subject to any Allay in Coynage; nor to have its value diminished by any sort of fraudulent Arts whatever.

2ly. As to different Values: that will be settled as shall be judged most Efficacious for the ends of Trade.

3dly. Stamp of the Government. 4thly. Durability. 5thly. Portability, are equally provided for as in Gold and Silver: indeed more, as to Portability: for 100 pound in Credit, will scarce exceed an Ounce of Silver, in Weight or Bulk.

Money is not so convenient, as this Credit, in these respects, viz. For daily use in large Payments; for the trouble and Loss of time in Telling and Retelling; the Danger of Clipt and Counterfeit Money; the trouble of carrying great Sums from House to House; its being subject to be Transported to other Nations; and to be hoarded by Misers, who fondly doat upon the Metalls.

Money is only a secure Pledge, of a known Value, that a man shall be repaid in some other Commodity, for the Commodity he parts withal: and it serves but to supply the Interval of time, between the selling of one Commodity, and the buying of another.

Now the proposed Tallies can well supply that Interval, and are yet a more secure Pledge than Money of Gold and Silver: For ten thousand Pounds in Money of Gold and Silver, is of no greater value than what it pretends; and is very often of a less value. But ten thousand Pounds in this Credit will be secured by 22500 pounds in Land: For to so much amounts 150 pound per annum, the payment thereof for 100 years, being secured by 150 years, tho to be void upon 100 Annual Payments.

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The Difference between the true value of Land, and Money, is evident, in that Money is willingly turned into Land; but Land is not turned into Money, but through Necessity and Constraint. All men allow Land a sufficient, and the best Security for Money: what Secures must then be more eligible than what is secured.

To the *Third*.

There will be no necessity for any Man to carry his Money to be put to Interest out of the Kingdom, in case this Proposal take effect: For it is before plainly shewed how Moneyed men may more profitably employ their Money at home. The Laws of the Kingdom against Exporting Money being reinforced; between the fear of them and the Advantages of Keeping their Money at home, the Nation will be in no danger of being drained of their Gold and Silver. Besides, the great increase of Trade, which must be the necessary Consequence of this Proposal, will occasion a mighty increase of Gold and Silver in a very few years.

## ANSWER to the Eight Objections given in to the Committee, upon the 4th. of July 1693.

To the *First*.

The Medium of Trade proposed by Dr. Chamberlen, is a Species of Money, or Bills of Credit, not deriving any value from an Act of Parliament, but having the Authority of a Law to Attest, that they have a real Value inseparably annexed, and adhering to them; and secured by a Fund of Land of greater intrinsic Value than so much Gold or Silver, as the Credit is to pass for. And that this will, *de facto*, be the Case, the Comparison of Money and Credit, this day also given into the Committee, plainly makes out. As to the preventing Forgery and Counterfeits; I grant the Proposal to be worth nothing if there be not an effectual Provision against them. But the Method of that, and Management of the whole, without Disorder, are Secrets that the Doctor, in Prudence, reserves to himself, until the Nation have secured to him the Reward of his Service, according to his Printed Proposal given in to the Parliament the 14th of June last.

To the *Second*.

A Universal Trade, and through all the World, are very large and Extensive Terms: and a far less Compass will take up ten times a greater Sum than is meant by the Proposal. I confess that Gold and Silver will be always useful to serve the Minute Necessities of Trade; and those Necessities will occasion a double Benefit: They will both preserve the present Money within the Kingdom: and cause Returns of more, as the Balance of Trade. But if in the mean time, 100000 *li*. be desired, Security shall be given to have it brought into the Kingdom upon very reasonable Terms; in case the Proposal be Established by Law, to the Satisfaction of Dr. Chamberlen. The Doctor will also cause present the Nation with such a Scheme of Trade; assisted with such eminent understanding and experienced Merchants, as shall give a fair and open prospect of all the Advantages, that result from a proportional Stock, and a well laid Commerce.

To the *Fourth*.

This Objection seems to fear, that the Nobility and Gentry having paid their Debts by this means, the Act may afterwards come to be rescinded, to the Ruine of their Creditors. But the Honour, Justice, and Interest of the whole Nation will sufficiently secure all men; from the fear that a Law made to this end can ever be rescinded by any Design or Inclination of the Nobility and Gentry. For, were they capable of so unjust and ungenerous Thoughts, what need they go so far about; and do at twice what may be done at once? One single Act of Parliament to discharge all their Debts will do the whole Work at a Blow. But further, the rescinding such a Law will be utterly impossible: for the Credit is founded upon Securities made by private persons, for valuable Considerations, and in virtue of a Law for the Establishing a National Trade. As well may it be feared, that an Act should pass to suppress the present Money, and leave it useless: or to deprive any number of men of their Legal Inheritance. But further, The rescinding this Law would be for the Nation to Rob it self: for the Credit being Current in all payments would presently diffuse it self through the whole Body of the people: and the Nobility and Gentry would always be well furnished with it, by Rent from their Tenants: besides the very great loss they would sustain by being deprived of their shares in the National Trade, which as founded upon the Credit, must immediately sink with it. When this is well considered, there can be no imagination so sickly to entertain so wild and so impossible a Dream. And yet if the Parliament think fit (tho' I am sure there can be no need) they may insert a Clause, that in case such Act should be rescinded, each Creditor and Debtor shall stand in the same terms and relation to each other, with regard to their Debts and Credits, and the Legal Obligations to Payment, and Remedies for Recovery, as at the time of making such Act.

## To the Fifth.

The advantage of this Proposal is not so limited to the Landed Man, but that mediately, or immediately its influence and benefit must be extended through the whole Nation in general, and more or less to every individual. It is a mistake to suppose that either Merchants or Moneyed men will be prejudiced. It is already shewed, how money'd men may sufficiently find their Account. As to the Merchants; is it reasonable for them to oppose the Flourishing of their Country, by a large and National Trade; in favour of their present little Dealings, that deserve not the name of Commerce? It ought to suffice the Merchants, that not one of them shall be excluded from driving whatever Trade he thinks fit. And such of them as have Land or money, may come in and be actual Sharers: and such others, whose skill and fitness shall recommend them, will no doubt be employed as the Managers of this National Trade; where they may gain without hazard: For the Nobility and Gentry, whose Education fits them more for State and Military Employments, than for Commerce, will unquestionably call in the Assistance of the Skilful Merchants. If 1000 Forreign Merchants, with each 10000 *lib.* Stock, should Petition the Parliament for leave to reside in this Kingdom, and to follow Merchandize here; is it probable the Government would deny to receive them, because the Merchants of little stocks should oppose it? The publick Interest is first to be sought; and no little ends are to be brought in Competition with the prosperity of a Nation.

## To the Sixth.

It is not true that this Proposal was ever Rejected by the English Parliament. But if it had; it is not the first time the English have mistaken their Interest. They mist to be Masters of the *West-Indies*, by neglecting the Proposal. A wise

Nation Acts by its own Reason; and does not implicitly take Rules from others. The Wisdom of this Nation is, or ought to be the best Judge of its own Wants, and whether this proposal be a proper Cure. I think it a Solecism, to say, the Proposal seems better Calculate for the great Wealth & Subitance of England, than for the present Condition of this Nation. The contrary is true: For the whole have less need of the Physician.

## To the Seventh.

The Increase of the Medium of Trade, will not so raise the Price of Commodities, as this Objection fears. For as money multiplies, so do the Uses and Occasions for it, and Arts and Manufactures in proportion. No wise man throws away his money, or pays too dear, because he is rich. And the poor, who subsist by their Labour, must endanger to starve themselves and Families, if they stand stiff upon extravagant prices: Besides, they cannot all combine to do so; and want will soon Reduce the Obstinate. But the instance of the Dutch is as good as a thousand Arguments. They are vastly Rich, both in Coyn and current Credit; yet neither Scotland nor Ireland (though bare enough of Money) can produce their Manufactures cheaper than the Dutch.

## To the Eighth.

The Security to the Nation, that no Tallies can be issued, but what are first secured by Land, arises from the Care and Inspection of the Trustees appointed by Parliament; and from the Order and method of management; and the Checks upon each officer, so contrived; as to make it impossible for a single Tally to be Coined, that is not first duly Secured by Land. And the like exactness will be used in the yearly receiving back the Tallies, and cancelling of them as they come in.

F I N I S.

